companies. Discounted Cash Flow Method, Balance Sheet Method, Transaction Multiple Method are more appropriate for valuation of a going concern. These valuation methodologies are internationally recognised. On the basis of the results obtained using these four separate valuation methodologies, the reserve price is determined. The actual sale price, however, is determined through a process of competitive bidding, which allows the market determined valuation, at that point of time, to be revealed.

Sale of Lakshmi Vilas Palace Hotel

1618. SHRI NILOTPAL BASU:
SHRIMATI BIMBA RAIKAR:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether a local court in Udaipur has held the sale/transfer of Lakshmi Vilas Palace Hotel under ITDC disinvestment programme as null and void;

(b) whether the Court has held that the property belongs to the Rajasthan Government and the ITDC has no right to sell/trransfer the same to a third party;

(c) whether ITDC's legal consultants had done the due diligence while calling for/processing the bids; and

(d) Government's reaction to the Court order?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (d) The Deputy District Collector, Girwa, Udaipur, in his capacity of Estate Officer has passed orders under the Rajasthan Public Premises (Eviction of Unauthorised Occupants) Act, 1964 on 11.2.2003 holding that Laxmi Vilas Palace is a property of the State of Rajasthan and that M/s Bharat Hotels Ltd. and M/s Hindustan Zinc Ltd. are unauthorised occupants. The Estate Officer has further held that the said premises should be vacated and India Tourism Development Corporation Ltd. (ITDC), Bharat Hotels Ltd. through Udaipur Hotels Pvt. Ltd. and Hindustan Zinc Ltd. should pay rent together with arrears, compensation and 6 percent interest thereon to the State Government.

Appeals against the above orders of the Estate Officer dated 11.2.2003 have been filed by ITDC and Bharat Hotels Limited and are pending in the District Court, Udaipur.